

PEBB Perspective.

Washington State
Health Care Authority
Public Employees Benefits Board

Important Dates

**October 20 –
November 30**

2004 open enrollment—your chance to change medical and/or dental plans, and add family members to your coverage.

October 28

Open enrollment benefits fairs begin. Look for the schedule with dates, times, and locations in this issue!

Washington State
Health Care Authority
Pete Cutler
Acting Administrator

Public Employees
Benefits Board
P.O. Box 42684
Olympia, WA 98504-2684
1-800-200-1004
360-412-4200
www.pebb.hca.wa.gov

To obtain this document in another format or to request special accommodations, call our Americans with Disabilities Act (ADA) Coordinator at 360-923-2805. TTY users (deaf, hard of hearing, or speech impaired), call 360-923-2701 or toll-free 1-888-923-5622.

HCA 50-658 (10/03)

Go online for 2004 open enrollment information

Last year's online open enrollment was such a success, we're doing it again!

To find all the information you need on changes to your PEBB health coverage for 2004, go to the PEBB's Web site at www.pebb.hca.wa.gov. During the open enrollment period (October 20 - November 30, 2003) PEBB members can also **make changes** to their 2004 coverage online.

A limited number of open enrollment booklets will be available upon request for only those employees who do not have Internet access through work, home, a friend, or a public library.

PEBB has online tools and services to help you make informed health plan choices for 2004. Here's how:

- Starting in mid-October, you can find information on changes to your 2004 coverage—including plans, benefits, monthly premiums, and the plans available in your county.

If your medical plan is no longer available where you live, **you need to select a different plan.** Otherwise, you'll

You will **not** receive a 2004 open enrollment booklet.

To find more information or make changes to your 2004 coverage,

go to www.pebb.hca.wa.gov

or call **1-866-577-2793** to request a booklet.

automatically be enrolled in the Uniform Medical Plan Preferred Provider Organization (UMP PPO).

- Whether you've decided to keep or change your medical plan in 2004, you can go to the **Provider Directory** to verify or find a primary care provider, women's health care provider, hospital, or pharmacy that contracts with your plan. If you're changing medical plans, you'll also be able to find the physician or clinic code as required on e-Coverage (see next column) or the *2004 Medical and Dental Coverage Form*.

Before choosing a provider from the online Provider Directory, be sure to call the medical plan to verify:

- Provider availability in your county;
- A provider's participation; and
- That a provider is accepting new patients.

- If you're interested in changing your medical or dental plan for 2004, waiving or reinstating coverage for an eligible family member who was previously waived, you can do so using **e-Coverage**. During open enrollment, e-Coverage is an online tool that will allow you to change your plans as many times as you wish. The last changes received by PEBB at the end of open enrollment will be your final selection for 2004.

Compare-a-Plan will not be available online during open enrollment.



Changes to your 2004 coverage

Plan availability

Find out if your medical plan is still available to you in 2004. **If your medical plan is no longer available where you live, you need to select a different plan.** Otherwise, you'll automatically be enrolled in the Uniform Medical Plan Preferred Provider Organization (UMP PPO) for 2004.

Plan changes

- **Premiera Blue Cross/Foundation** will no longer be available.
- **Community Health Plan of Washington** will accept new enrollment in 2004.
- A new limited-network pilot product, **UMP Neighborhood**, is offered by UMP to Public Employees Benefits Board (PEBB) members who live in King, Pierce, and Snohomish counties, and can enroll online using e-Coverage at **www.pebb.hca.wa.gov**. UMP Neighborhood benefits are similar to the UMP PPO. However, to receive the highest benefit level, members must receive care from a more limited provider network called a care system. **Enrollment is limited, and is only available during open enrollment using e-Coverage.** Other enrollment limitations may apply. For more information, go online to **www.ump.hca.wa.gov** or call the plan at 1-888-304-5103.

New medical plan premiums

Medical plan premiums have changed. Please see the "2004 monthly premiums" on the following page.

Benefits changes

Medical plans

The lifetime maximum plan payment (the total amount paid out by a medical plan for a covered enrollee) will increase from \$1 million to \$2 million in 2004.

Dental plan

Regence BlueShield Columbia Dental Plan will provide reduced-price dental implants for enrollees who meet certain criteria, and reduced copayments for dental-related antibiotic prescription drugs. Both benefits are only available when received at designated facilities. Contact the plan for more details.

Life insurance changes

Monthly costs for Part B Supplemental Spouse, Part C Optional, and Part D Supplemental life insurance will change in 2004. The non-smoker rates will slightly decrease and some smoker rates will increase. You can review the rates online at **www.pebb.hca.wa.gov**.

Other changes

PEBB adopted a rule effective September 15, 2003, requiring members (or their beneficiaries) to notify the HCA of eligibility

changes within 90 days of the event. Some examples of these changes may be death, divorce, Medicare entitlement, or a change in your child's student status. This new rule also places a limit on the maximum premium refund that PEBB members or their beneficiaries may request.

Changes to dependent eligibility

PEBB also adopted eligibility changes effective September 15, 2003, that modify the certification process for students ages 20-23 and extended dependents. The new requirements are as follows:

- **Students** are not required to enroll full-time or be dependent upon the subscriber for maintenance and support. However, they must be a registered student and attending an accredited secondary school, college, university, vocational school, or school of nursing. To be eligible for year-round coverage, your student must attend three quarters or two semesters during the year. Student coverage ends at the end of the month they stop attending school, so notify HCA immediately.
- **Extended dependents** are not required to be dependent on the subscriber for financial support. However, all other extended dependent eligibility requirements still apply.



For more information or to make changes to your 2004 coverage, go to www.pebb.hca.wa.gov.

2004 monthly premiums

School district and employer group employees (who work for a city, county, port, water district, hospital, etc.) need to contact their payroll or personnel office to find out their monthly premiums.

PEBB Medical Plans	Employee	Employee & Spouse*	Employee & Child(ren)	Employee, Spouse,* & Child(ren)
Community Health Plan of Washington	\$41	\$ 92	\$ 72	\$123
Group Health Cooperative	43	96	75	128
Group Health Options, Inc.	61	132	106	177
Kaiser Foundation Health Plan of the Northwest	32	75	56	99
PacifiCare of Washington, Inc.	80	170	140	230
RegenceCare	81	172	142	232
Uniform Medical Plan PPO	29	68	51	90
UMP Neighborhood	19	49	34	63

*or qualified same-sex domestic partner

How much PEBB coverage really costs in 2004

It's no secret that medical costs continue to increase—and as PEBB's membership is growing older, we're using more services and treatments.

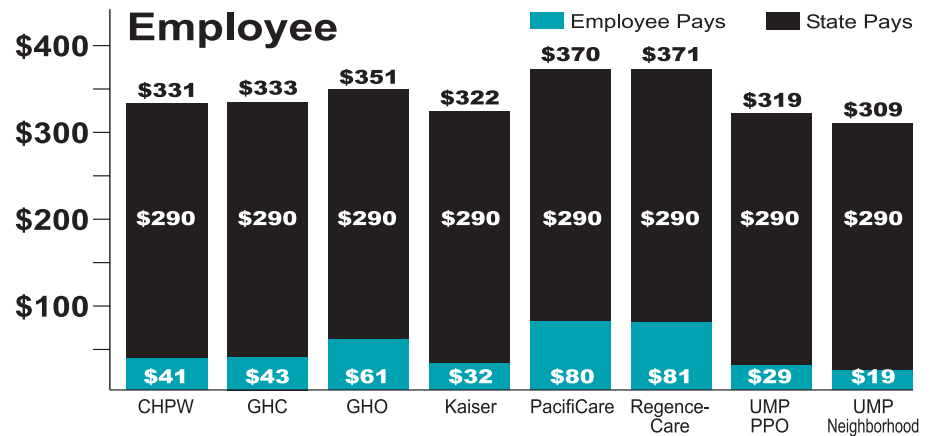
Above you'll see how much your PEBB health coverage will cost you next year. However, the state continues to pay the majority of your health care premiums as a benefit of employment.

For 2004, the overall cost of providing health coverage for employees and non-Medicare retirees will increase almost 14 percent. On the tables to the right, you'll find just how much is paid to the medical plans—by you, and by the state.

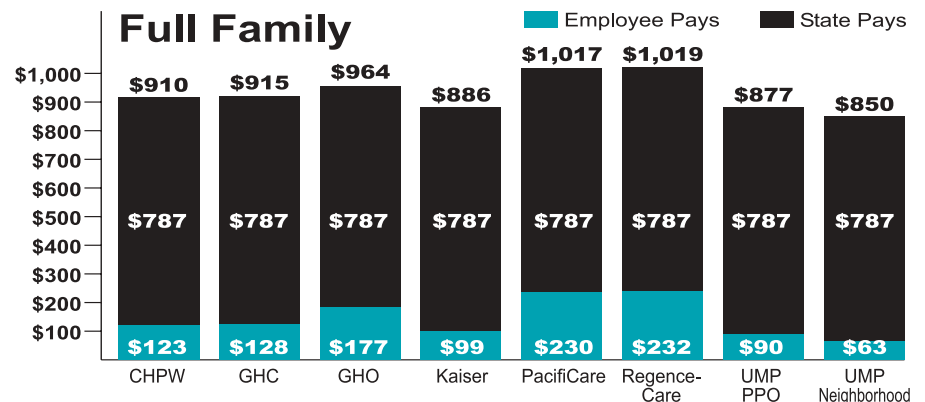
Please note: Your dental, basic life, and basic long-term disability coverage will continue to be covered at no cost to you in 2004.

Total monthly costs to medical plans

Total monthly costs to medical plans



Figures rounded to the nearest dollar.



Why so many health plan changes for 2004?

From this newsletter, you'll notice that there are changes in the medical plans available for 2004. Here's how the changes came about.

Why is Premera going away?

Prior to receiving the medical plans' bids to contract with PEBB for 2004, the HCA determined the maximum bid rate it could accept from the plans to stay within PEBB's budget. Three of the medical plans' bids exceeded this limit. Two plans resubmitted their bids within the limit; however, Premera did not feel it could meet this limit without anticipating future losses.

Why couldn't the state accept Premera's bid, and allow members the choice to pay more?

For Premera to stay with PEBB for 2004, members would have paid twice as much as the most expensive plan offered. Given that, other plans would have no incentive to meet the PEBB's maximum bid rate either, and rates could dramatically increase for nearly all PEBB plans.

Will Premera contract with PEBB again in 2005?

Premera may again submit a bid next year to serve PEBB members in 2005, but it is not required to do so.

I'm currently enrolled in Premera. Are there other plans that will contract with my providers next year?

Once PEBB's open enrollment starts, you can find the medical plans available in your county on PEBB's Web site. From there, you can go to the online Provider Directory to look up your doctor's name, and see which plan(s) he or she will contract with in 2004. However, because provider participation with the plans changes frequently, it's best to verify a provider's participation by calling the plan directly.

I see Community Health Plan of Washington (CHPW) is accepting new enrollment—will it be available in my county?

CHPW will be available in most counties across the state. Be sure to visit the PEBB's Web site at www.pebb.hca.wa.gov in mid-October for more information on which medical plans will be available in your county.

What's the difference between the Uniform Medical Plan PPO and UMP Neighborhood?

The Uniform Medical Plan PPO (UMP PPO) and UMP Neighborhood are both administered by UMP, and have similar benefits.

However, there are a few differences:

- UMP PPO is available to all PEBB members, including those enrolled in Medicare. UMP Neighborhood is not available to most Medicare-enrolled members.
- UMP PPO is available worldwide. UMP Neighborhood is a limited-network pilot product available only in King, Pierce, and Snohomish counties.
- UMP PPO provides coverage for routine and emergency care from preferred and non-preferred providers worldwide. UMP Neighborhood enrollees must choose to receive care from a limited provider network called a care system. Only urgent conditions and medical emergencies are covered outside of Washington State.

Why isn't UMP Neighborhood offered in all counties, like UMP PPO?

UMP Neighborhood is a pilot product for 2004. Because of short timelines, and to allow the pilot to demonstrate success in a relatively controlled geographic area, UMP Neighborhood was limited to three counties where enrollees have several care systems from which to choose.

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We appreciate your patience during open enrollment!

During open enrollment, we receive approximately three times as many phone calls as the rest of the year. If our benefits specialists are helping other customers when you call, please be patient. A benefits specialist will answer your call as soon as possible.



For more information or to make changes to your 2004 coverage, go to www.pebb.hca.wa.gov.

Benefits fairs schedule

Bellingham

November 6, 2003
10 a.m. to 3 p.m.
Western Washington
University
Fairhaven Admin. Lounge
516 High Street

Cheney

November 7, 2003
10 a.m. to 3 p.m.
Eastern Washington University
Louise Anderson Hall
Elm Street
First Floor Lounge

Ellensburg

October 29, 2003
10 a.m. to 3 p.m.
Central Washington
University
408 East 8th Street
SUB Pit

Everett

November 10, 2003
10 a.m. to 3 p.m.
Everett Community College
Jackson Center
2000 Tower Street

Lacey

November 18, 2003
10 a.m. to 3 p.m.
Saint Martin's College
Worthington Conference
Center
5300 Pacific Avenue SE

Olympia

November 5, 2003
10 a.m. to 3 p.m.
Dept. of Transportation
Bldg.
310 Maple Park
Lobby

Pasco

November 3, 2003
10 a.m. to 3 p.m.
Columbia Basin College
Student Services Building
2600 N. 20th Avenue
Byron Gjerde Center

Port Angeles

November 4, 2003
10 a.m. to 3 p.m.
Peninsula College
1502 E. Lauridsen Boulevard
Room A12

Pullman

November 5, 2003
10 a.m. to 3 p.m.
Washington State University
French Admin. Building
Stadium Way & Wilson Road

Seattle

October 28, 2003
10 a.m. to 4 p.m.
University of Washington
Harborview Medical Center
Research and Training Bldg.
325 Ninth Avenue
First Floor

October 29, 2003

10 a.m. to 4 p.m.
University of Washington
UW Medical Center &
Health Sciences Lobbies
1959 NE Pacific

October 30, 2003

10 a.m. to 4 p.m.
University of Washington
Student Union Building
(HUB)
Stevens Way
West Ballroom

November 12, 2003

10 a.m. to 3 p.m.
South Seattle Community
College
Jerry Brockey Auditorium
6000 16th Avenue SW
Room A

Spokane

November 6, 2003
10 a.m. to 3 p.m.
Spokane Falls Community
College
Student Union Bldg. #17
3410 W. Fort George Wright
Drive
Lounges B & C

Tacoma

November 14, 2003
10 a.m. to 3 p.m.
Tacoma Community College
Student Center Building 11
6501 South 19th Street

Vancouver

October 31, 2003
10 a.m. to 3 p.m.
Clark College
Gaiser Hall - Central
Concourse
1800 East McLoughlin Blvd.

Walla Walla

November 4, 2003
10 a.m. to 3 p.m.
Walla Walla Community
College
500 Tausick Way
Conf. Center 185 A, B, & C

Wenatchee

October 28, 2003
10 a.m. to 3 p.m.
Wenatchee Valley College
Campus Theatre
1300 Fifth Street

Yakima

October 30, 2003
9 a.m. to 2 p.m.
Yakima Doubletree
1507 North First Street
Wapato/Naches Rooms

For more information on PEBB health plans, attend a benefits fair in your area. The times and places are listed at the left. Maps to the benefits fairs are also available online at www.pebb.hca.wa.gov.



For more information or to make changes to your 2004 coverage, go to www.pebb.hca.wa.gov.

Privacy rules affect how plans and PEBB use your information

If you've seen your doctor or picked up a prescription since April, you've probably been given a privacy notice that details how the doctor's office or pharmacy uses your personal health information. This is due to changes in federal rules that include how these health providers may share your information, and how it is used.

The Health Insurance Portability and Accountability Act, or HIPAA, provides privacy measures for not only personal health information (such as medical records and billing statements), but personally identifiable information (such as a name and address). This means that the HCA—including the PEBB

program and the UMP—must protect personal and health information collected about its members, even after death. This includes written, spoken, and electronic information.

If you seek help from a third party in dealing with your account, the HCA will need a signed authorization form from you allowing us to discuss your information with that person. A third party could include a relative, legislator, friend, or anyone who might help you.

You can find this authorization form, and more information about HIPAA, online at www.pebb.hca.wa.gov.

Why so many health plan changes for 2004?

(continued from page 4)

Why are there so many changes in medical plan premiums for 2004?

The cost for PEBB health coverage will increase by almost 14 percent for 2004. Your monthly premium in 2004 may vary from this percentage based upon your plan's rate for 2004, and the family members you cover. However, legislative funding assumed that PEBB enrollees will continue to pay a greater share of their health benefits, as the gap between state funding and health plan premiums continues to widen.

The 2004 premiums are a reflection of the health plans' experience with their enrollees. Many plans reported that the cost of

providing coverage for PEBB members exceeded the premiums collected.

To this end, the HCA's purchasing strategy focuses on contracting with those plans offering maximum value to the PEBB and its members.



For more information or to make changes to your 2004 coverage, go to www.pebb.hca.wa.gov.

PEBB open enrollment is October 20 - November 30, 2003

**Washington State
Health Care Authority**
Public Employees Benefits Board
P.O. Box 42684
Olympia, WA 98504-2684
HCA 50-658 (10/03)
Change Service Requested



**Please
read!
This is the ONLY
open enrollment
notice you will receive!**